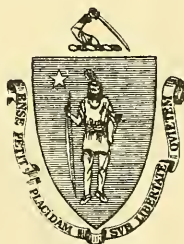


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The Commonwealth of Massachusetts

ANNUAL REPORT
OF THE
ALCOHOLIC BEVERAGES
CONTROL COMMISSION
FOR THE
YEAR ENDING NOVEMBER 30, 1939



(24 SCHOOL STREET, BOSTON)

ALCOHOLIC BEVERAGES CONTROL COMMISSION

ANNUAL REPORT

To His Excellency, The Governor, and to the General Court of The Commonwealth of Massachusetts:

SIRS: In accordance with the provisions of Section 44 of Chapter 6 of the General Laws, as amended, we have the honor to submit the Seventh Annual Report of the action of the Alcoholic Beverages Control Commission, and of the conduct and condition of traffic in alcoholic beverages during the fiscal year ending November 30, 1939.

The term of Commissioner William E. Weeks having expired, His Excellency, Governor Charles F. Hurley, with the advice and consent of the Council, appointed Arthur G. Burtnett of Somerville to succeed him. Mr. Burtnett was qualified and assumed his duties on December 9, 1938. The term of Commissioner William P. Hayes having expired, His Excellency, Governor Leverett Saltonstall, with the advice and consent of the Council, appointed Dudley B. Wallace of Springfield to succeed him. Mr. Wallace was qualified and assumed his duties April 20, 1939. On the same date Governor Saltonstall designated Commissioner Arthur G. Burtnett to serve as Chairman of the Commission in place of Commissioner Hayes who had previously served in that capacity.

In our previous Reports we explained in detail the original provisions of our Liquor Control Act and the various Amendments which have been adopted thereto.

The following is a brief summary of the Amendments to the Act which were adopted during the Legislative Session of 1939:

1. An Amendment was adopted which clarified the provisions of the Act with reference to the filing of more than one application for a Retail License to sell alcoholic beverages for the same premises for the same license year. The Act now specifically states that, unless the Licensing Authorities otherwise determine, not more than one application for a license which is to be exercised on the same premises during the same license year shall be received.

2. An Amendment was adopted which was intended to provide for a gradual reduction in the number of licenses for the sale of all alcoholic beverages to be drunk on the premises in the City of Boston.

3. An Amendment was adopted which requires that all applicants for Retail Licenses to sell alcoholic beverages shall send written notice of their applications to abutters and to churches, hospitals and certain schools located within a radius of five hundred feet from the proposed premises. Prior to the adoption of this Amendment the only requirement relative to notice was publication of an advertisement of an application, which was required to be published only once in a newspaper in the City or Town in which the application was made or, in the event that no such newspaper was published, in one located in the County.

A statement of the income and disbursement of the Commission follows:

FINANCIAL STATEMENT

Summary of Income Received from Fees for Licenses and Permits Issued by the Commission under Chapter 138 of the General Laws, as Amended.

Manufacturers' Fees (Section 19)	5 Distilleries } 15 Breweries } 1 Cider }	\$60,025.00
Wholesalers' and Importers' Fees (Section 18)	89 all alcoholic beverages } 90 wines and malt beverages } 4 sacramental wines }	404,002.00
Alcohol Fees (Section 76)	24 licenses for sale of alcohol for medicinal, chemical or other commercial purposes }	7,200.00
Agents', Brokers' or Solicitors' Fees (Section 18A)	64 licenses	19,200.00
Railroad Fees (Section 13)	5 licensees, 147 cars	647.00
Steamship Fees (Section 13)	8 licensees, 18 vessels	1,800.00
Special Permit Fees (Section 22A)	78 licensees	335.01
Storage Permit Fees (Section 20)	20 annual, 2 seasonal } 3 bonded warehouses } 15 warehousemen }	10,350.00
Transportation Fees (Section 22)	446 express or trucking companies } 3 railroad corporations } 2 steamship companies }	5,510.00
Transportation Fees (Section 22)	4,180 vehicles owned by licensees or their employees } permits, 9 duplicate permits.....	4,180.00 17,904.50
Salesmen's Fees (Section 19A)	1,790	17.21
Miscellaneous Income		
Total Receipts		\$531,170.72

Statement of Appropriations and Expenditures

APPROPRIATIONS

Expenses	\$33,883.10
Personal Services	117,180.00
	\$151,063.10

EXPENDITURES

For office supplies and equipment	\$12,955.25
For traveling and other expenses	19,581.83
For personal services	117,060.04
	149,597.17

Balance Unexpended: Returned to Treasurer and Receiver-General..... \$ 1,465.93

Financial statement verified.

Approved.

GEO. E. MURPHY, *Comptroller*.

The Department of Corporations and Taxation, Division of Excise Taxes, collected the sum of \$5,344,526.11 for taxes on alcoholic beverages sold in Massachusetts during the fiscal year ending November 30, 1939.

Local Licensing Authorities are required by the provisions of Section 10A of the Liquor Control Act to file with the Commission during the month of December of each year a report of their actions during the preceding twelve months. Reports filed to date show that the various Cities and Towns which have voted to permit the issuance of licenses for the sale of alcoholic beverages have received a total of \$4,111,968.75 in license fees. Thirty-six Towns have failed as yet to submit reports as required by the Act.

During the fiscal year Local Licensing Authorities issued in the aggregate 8,762 licenses of various types for the sale of alcoholic beverages. For the sale of all kinds of alcoholic beverages they licensed 323 Hotels, 2,280 Restaurants, 637 Clubs, 519 Taverns, 1,172 "Package Goods" Stores and 1,883 Drug Stores. For the sale of wines and malt beverages, or either, they licensed 38 Hotels, 1,399 Restaurants, 148 Clubs, 10 Taverns and 353 "Package Goods" Stores. The said Authorities also issued 295 Seasonal licenses for the sale of all kinds of alcoholic beverages and 48 such licenses for the sale of wines and malt beverages only.

APPEALS AND REMONSTRANCES

Section 67 of Chapter 138 of the General Laws, as most recently amended, reads as follows:

"Any applicant for a license who is aggrieved by the action of the local licensing authorities in refusing to grant the same or by their failure to act within the period of thirty days limited by section sixteen B, or any

person who is aggrieved by the action of such authorities in suspending, canceling, revoking or declaring forfeited the same, may appeal therefrom to the commission within five days following notice of such action or following the expiration of said period, upon petition in writing setting forth all the material facts in the case. The commission may, after hearing, due notice whereof shall have been given, sustain the action of the local licensing authorities or may sustain the appeal, in which latter case it shall set forth in writing in its decision its reasons therefor and the decisions of the commission shall be final; but, pending a decision on the appeal, the action of the local licensing authorities shall have the same force and effect as if the appeal had not been taken. Upon the petition of twenty-five persons who are taxpayers of the city or town in which a license has been granted by such authorities or who are registered voters in the voting precinct or district wherein the licensed premises are situated, or upon its own initiative, the commission may investigate the granting of such a license or the conduct of the business being done thereunder and may, after a hearing, modify, suspend, revoke or cancel such license if, in its opinion, circumstances warrant."

During the fiscal year ending November 30, 1939, there were 183 appeals filed with the Commission by applicants for licenses who were aggrieved by the action of Local Licensing Authorities in refusing to grant the same or by their failure to act within the said period of thirty days, all of which have been disposed of. In 104 cases the Commission sustained the action of the Local Licensing Authorities in refusing to grant the licenses. Fifteen appeals were sustained by the Commission and the Local Licensing Authorities were ordered to grant licenses to the appellants involved. In two instances these orders were not complied with and the Commission issued the licenses in accordance with the respective applications. Forty appeals were dismissed and twenty-four others were withdrawn either before or after hearing thereon.

Twenty licensees filed appeals with the Commission because they felt aggrieved by the action of the Local Licensing Authorities in suspending or revoking their licenses to sell alcoholic beverages. The appeals of four appellants were dismissed; eight were withdrawn before or after hearing; two were sustained only in so far as they related to the penalties imposed, but the Commission found in each of these cases that the Local Licensing Authorities were justified in imposing penalties of some nature. In the six remaining cases the action of the Local Licensing Authorities was sustained. Two remonstrances against the continuance of licenses were received and were subsequently dismissed.

All appeals and remonstrances were disposed of during the year.

During the 1938 fiscal year less than one-seventh of the appeals made to the Commission were sustained. This was a substantial decrease in the number of appeals sustained as compared with previous years. It will be noted that this trend continued during the past fiscal year when there was a continued and substantial decrease on a percentage basis as well as in actual numbers.

LAW ENFORCEMENT

Pursuant to established policy Investigators were required to investigate and submit written reports upon all applications for licenses which were forwarded to the Commission for its approval.

Investigators also investigated 1,307 complaints alleging violations of the provisions of the Liquor Control Act in licensed premises. In 631 cases no evidence was obtained to support the complaints. In 61 cases complaints against licensees or their employees were sought and secured in District Courts. Evidence obtained in 615 cases was referred to Local Licensing Authorities for their determination. Following the usual procedure in such cases Investigators testified at hearings before the said Authorities.

We present a brief summary of the number and nature of the complaints investigated and prosecuted, together with a statement of the disposition made in each case:

COMPLAINTS REFERRED TO LOCAL
LICENSING AUTHORITIES: 1939

	Total	Condition Corrected	Licenses Revoked	Licenses Suspended	Licenses Cancelled	Filed— Warning Given	Licenses Modified	Charges Not Sustained	Penalty— Imposed— Suspended
Adulteration	2	—	—	1	—	1	—	—	—
Aiding and Abetting.....	10	3	—	—	—	—	—	—	—
Alien Licensee	1	—	1	—	—	—	—	—	—
Club Sales Non-Members	28	—	—	14	—	11	—	—	3
Condition of Premises Unsatisfactory.....	58	7	—	17	—	81	—	1	2
Exterior Signs Illuminated Sunday.....	6	2	—	1	—	3	—	—	—
Gambling on Premises.....	7	2	—	3	—	2	—	—	—
Hindering Investigator	19	—	1	3	—	9	—	2	4
Illegal License	11	2	1	5	—	3	—	—	—
Illegal Sales	26	1	3	7	—	11	—	—	4
Illegal Sales by Druggists	13	—	—	9	—	4	—	—	—
Illegal Storage	5	—	—	—	—	5	—	—	—
Illegal Transfer of License.....	7	—	2	1	2	—	—	—	2
Illegal Transportation	26	21	—	—	—	3	—	—	2
Improper Advertising	25	13	—	2	—	9	—	—	1
Improper Labels	5	5	—	—	—	—	—	—	—
Importing without License.....	10	4	—	1	—	5	—	—	—
Lack of Restaurant Equipment.....	25	4	—	3	—	14	2	—	2
Minors Employed on Premises.....	11	2	—	6	—	3	—	—	—
No Price List Posted.....	2	—	—	—	—	2	—	—	—
Purchase of A.B. from other than Licensed Wholesaler	2	—	—	—	—	2	—	—	—
Sales Below Posted Price List.....	4	—	—	4	—	—	—	—	—
Sales Not Recorded by Druggists.....	6	—	1	3	—	2	—	—	—
Sales by Aliens.....	3	1	—	2	—	—	—	—	—
Sales by Minors.....	2	—	—	1	—	1	—	—	—
Sales to Minors.....	24	—	1	10	—	9	—	2	2
Sales—Clubs, Restaurants—Consumption off Premises	18	—	—	3	—	10	—	3	2
Sales Intoxicated Patrons.....	19	—	—	6	—	8	—	4	1
Sales A.B. on Wines-Malt License.....	16	2	—	4	—	7	—	1	2
Sales to Non-Licensees.....	2	2	—	—	—	—	—	—	—
Sales Outside Legal Hours.....	130	—	2	64	—	41	—	5	18
Sales—Pkge Stores—To be Drunk on Premises	4	—	—	2	—	2	—	—	—
Sales without Charge.....	2	2	—	—	—	—	—	—	—
Salesmen—Soliciting without Permit.....	27	14	—	—	—	13	—	—	—
Sanitation	40	6	—	8	—	24	—	—	2
Selling without License.....	1	1	—	—	—	—	—	—	—
Solicitors, Agents, Brokers—Acting without License	12	10	—	—	—	2	—	—	—
Substitution	5	1	—	2	—	2	—	—	—
	615	105	12	182	2	246	2	18	48

CASES REFERRED TO LOCAL COURTS:
1939

	Complaints Issued	Finding Guilty	Finding Not Guilty	Placed on File	Jail Sentences	Fines Imposed	Probation
Adulteration	1	1	—	—	—	1	—
Club—Sales Non-Members.....	1	1	—	1	—	—	—
Gaming on Premises.....	2	2	—	—	—	2	—
Illegal Sales	11	11	—	3	—	5	—
Keeping and Exposing.....	8	8	—	2	2	5	—
Sales of Alcoholic Beverages without License...	3	3	—	1	—	2	—
Sales—Clubs, Restaurants—Consumption off Premises	5	5	—	1	—	4	—
Sales Liquor on Wines and Malt License.....	3	3	—	—	—	3	—
Sales Not Recorded by Druggists.....	1	1	—	—	—	1	—
Sales Outside Legal Hours.....	14	13	1	2	2	11	1
Sales Sunday without Prescription.....	8	8	—	1	—	6	1
Sales to Minors.....	4	4	—	1	—	3	—
	61	60	1	12	4	46	2

HOTELS

Three years ago, in submitting our annual report for the fiscal year ending November 30, 1936, we made general reference to frequent violations of certain provisions of the laws governing the sale of alcoholic beverages in licensed Hotels and then stated "The Commission feels that any violation which occurs in the future should be promptly and properly penalized." Not long after this policy was enunciated improvement in conditions surrounding

such sales became evident. The policy was continued throughout the license year and, in submitting our report for the fiscal year ending November 30, 1937, we stated "The fact that the number of violations of the Liquor Control Act occurring in Hotels has been greatly reduced is due in no small part, in our opinion, to the drastic action taken by the Local Licensing Authorities when violations have been found and we recommend that this policy be continued." Pursuing the subject still further it is interesting to refer to our report for the fiscal year ending November 30, 1938, wherein it is stated that "As we stated in our Annual Report for the fiscal year ending November 30, 1937, Hotel licensees who permitted violations of the Liquor Control Act to occur in their licensed establishments were more severely dealt with in that year than in previous years. This action on the part of the Licensing Authorities appears to have had a salutary effect on such licensees. Conditions surrounding the sale of alcoholic beverages in Hotels, generally speaking, have greatly improved. . . . In any event the Licensing Authorities will continue to exercise increasing supervision to insure that gains made will not be lost."

The foregoing has been recited at length so that we might from a proper perspective consider the conditions surrounding the sale of alcoholic beverages in Hotels during the past fiscal year, and also the bearing, if any, which this has had or will have on the control of the conduct of the holders of other types of licenses. Our records show that not only has the total number of violations of various provisions of the Liquor Control Act in Hotels been reduced, but also, what is more important, that the number of individual violators has been even more strikingly decreased. The gains to which we referred last year have not only been held but have also been increased. The average annual number of inspections of licensed Hotels as compared with other years has been maintained so that it cannot be said that the decrease in the number of violations observed was due in any wise to a lessening of efforts towards proper supervision. It must be assumed that the betterment noted was a bona fide improvement. Some people have held to the view that licensees have been careless and lax and have permitted violations of the Liquor Control Act to occur in their licensed premises of whatever type, because their licenses, as such, had no intrinsic value. Furthermore, they were of the opinion that the prospects of possible consequent heavy financial loss would act as a deterrent to the commission of violations of the Act. It seems to us that the experience which the Licensing Authorities have had in supervising the activities of Hotel licensees proves the fallacy of any such theory. As we stated in a previous report, Hotel licensees have by far the greatest capital investment of any group of licensees and it is generally accepted that a Hotel property cannot be successfully operated from a financial viewpoint without a license to sell alcoholic beverages if it is located in a community where such sale is authorized. Yet as we have already established, the mere prospect of the loss of a license covering such property was not sufficient to bring about compliance with the provisions of the Liquor Control Act in licensed Hotels. It was necessary to inaugurate and continue a policy of severe penalization for infractions whenever infractions were observed. We would not have it inferred that we are in any sense thoroughly satisfied with conditions now obtaining in Hotels. We are encouraged nevertheless and believe that the trend is definitely towards stabilization of proper conditions.

Social problems liable to arise as the result of the sale of alcoholic beverages in Hotels under either a prohibitory or regulatory system of alcoholic beverages control have been a subject for public discussion at various times. In view of this fact we believe that a comment upon conditions under the present regulatory system is advisable. The Licensing Authorities have treated these problems intelligently and understandingly and as a result precautions have been taken and restrictions adopted which have proven beneficial in protecting the public against adverse influence from that source. This conclusion is largely based on reports of investigations which we have caused to be made during the six full years since the repeal of the Prohibition Amendment.

RESTAURANTS

Conditions surrounding the sale of alcoholic beverages in licensed Restaurants cannot be said to have improved during the past fiscal year. Sales of alcoholic beverages to minors and outside the hours fixed by Local Licensing Authorities continue to be the most serious and common violations observed. The fact that there is entertainment, dancing, and floor shows in such a large number of Restaurants is undoubtedly responsible for their attraction for minors. We recognize the difficulties with which most licensees who are sincerely endeavoring to comply with the provisions of the Liquor Control Act prohibiting sales to minors are confronted. Even these licensees cannot be excused from their responsibilities. But some licensees, a minority it is true, invite by means of the attractions which they offer, the presence of minors. This practice has a tendency to increase the opportunities, and consequently the possibilities of minors procuring alcoholic beverages in licensed establishments contrary to law. Having secured the attendance of minors, such licensees fail to exercise the extra precautions which such patronage demands. We are determined that such licensees shall either forfeit their licenses or discontinue their present methods of doing business. We mentioned also that sales outside hours was a common violation. This is decidedly true. It will be recalled that the provisions of the Liquor Control Act as originally enacted in 1933 authorized Local Licensing Authorities to permit sales of alcoholic beverages in establishments licensed for "on premises" consumption until two o'clock A. M. weekdays and one o'clock A. M. Sundays. The Legislature subsequently amended the Act to prohibit sales after twelve o'clock midnight Saturdays and one o'clock A. M. other mornings. It would seem that the dictates of common sense would be sufficient to cause licensees to conduct their licensed businesses in such a manner as not to cause the Legislature to impose still further restrictions on the hours of sale. Many Restaurant licensees have not voluntarily restricted their sales to the legal hours. They shall be made to do so. It is recommended to Local Licensing Authorities that more drastic penalties in the way of suspensions or even revocations be imposed upon Restaurant licensees who hereafter wilfully violate the law by selling alcoholic beverages outside the hours prescribed for their respective premises. If at any time during the coming year the Commission feels that this action is not accomplishing the desired results, we will not hesitate to subject licensees to the penal provisions of the Liquor Control Act before the Courts in addition to placing their licenses in jeopardy through action before Local Licensing Authorities.

TAVERNS

In our last annual report we took occasion to comment favorably on the progress which had been made by Local Licensing Authorities during the previous year in converting certain types of Restaurant licenses for the sale of alcoholic beverages into Tavern licenses. We stated that a great deal of work remained to be done in that direction. We regret that efforts towards the attainment of this goal have slowed up perceptibly during the past year with the natural result that some Restaurants are still licensed to sell alcoholic beverages although, in our opinion, they are more suitable to be licensed as Taverns. The desires of the Local Licensing Authorities of some Cities and Towns to make such changes have been frustrated to a large extent by the Liquor Control Act, providing as it does for a separate vote on the question of licensing Taverns as distinguished from the vote taken on the questions relating to the granting of alcoholic beverages licenses to Hotels, Restaurants and Clubs. It is undoubtedly true however that sentiment favorable to an Amendment which would include Taverns in the question relating to the licensing of Hotels, Restaurants and Clubs is gaining rapidly and that the next session of the Legislature will unquestionably give very serious consideration to such a proposal. The fact that such sentiment exists is very pleasing to the Commission as we have felt for some time that such an Amendment is desirable.

In enacting the present Liquor Control Act the Legislature thoughtfully and wisely sounded the death-knell for the old ill-kept Saloon which flourished prior to prohibition. Tavern licensees who, under existing provisions of the law, seek only to comply with the very minimum requirements of proper maintenance in the upkeep of their establishments are lacking in a proper understanding of their responsibilities.

Most Tavern keepers have maintained their licensed premises in an up-to-date condition. Some have failed to do so. We feel that this is an appropriate time to suggest that licensees in this latter group give serious thought to the matter. A large outlay of funds for the renovation or enlargement of Taverns is not suggested, nor is it necessary. However, such small expenditures as it is necessary to make from time to time in order to keep establishments in a well maintained condition should be made. Minimum requirements for equipping Hotels, Restaurants and Clubs are provided by law. In the absence of such provisions relating to Taverns it is the duty of individual Tavern licensees, in a spirit of co-operation, to equip and maintain their premises in a manner which will be satisfactory to their patrons as well as to the Licensing Authorities.

CLUBS

Viewed as a composite group it must be said that conditions surrounding the sale of alcoholic beverages in licensed Clubs are far from satisfactory. The Licensing Authorities continue to experience great difficulties in their attempts to secure compliance with the provisions of the Liquor Control Act in the conduct of such establishments. However, it is necessary to explain this situation in some detail. Failure to do so might give rise to false implications which are not entirely justified by the facts.

Broadly speaking there are two classes of licensed Clubs. Included in the first class are those social, fraternal, charitable or similar organizations which have adhered to the purposes for which they were established, and with whom the sale of alcoholic beverages is merely incidental to the achievement and satisfaction of their legitimate aims. Included in the second class are those organizations which through the connivance or indifference of their original sponsors have become subject to the domination of individuals whose sole object is to continue in existence so long as the sale of alcoholic beverages holds any prospect for personal gain or profit. This latter group makes no pretense to the accomplishment of the purposes outlined in their charters.

Conditions in Clubs of the first group have gradually and constantly improved during the past few years. This is undoubtedly due to the fact that those whom the Club memberships have entrusted with the supervision of their internal affairs have made a conscientious effort to familiarize themselves with the provisions of the Liquor Control Act and to conduct the Club affairs in accordance therewith. This process has continued to such an extent that we feel confident that all legitimate organizations will have been educated to a point where they will be functioning properly and in all respects legally within a comparatively short time.

As regards the second group, however, the case is different. With them it is not a matter of ignorance or misunderstanding of the requirements of the law. They are deliberate violators and must be treated as such. At first glance the problem of eliminating such organizations appears to be much simpler than it really is. The present provisions of our General Laws provide a comparatively easy method by which a Club may obtain a charter and subsequently a license to sell alcoholic beverages. It is true that the constituted authorities are vested with a wide power of discretion in these matters. It is equally true, however, that as a matter of practice it is hardly likely that a charter shall be refused to a group of supposedly reputable citizens who have banded together for the avowed promotion of proper purposes as specified in the relevant provisions of our General Laws. It is likewise difficult in practice to refuse such an organization a license for the sale of alcoholic beverages to its duly accepted members and guests for the reason that it becomes immediately eligible, upon receipt of its charter, to be licensed if it owns,

hires or leases a building or space in a building of such extent and character as may be suitable and adequate for the reasonable and comfortable use and accommodation of its members. We recommend that legislation be enacted which will provide that only those Clubs which have been in continuous and legal operation for a stated minimum period of time, preferably one year, prior to the date of its application shall be eligible to be so licensed.

The requirements of the law with respect to Clubs continuing to conduct their activities in accordance with the terms of their charters after they have been granted are also inadequate. The result is that they frequently allow themselves to become nothing but "one man" enterprises. Because of this inadequacy in the law the responsible authorities are seriously handicapped in their efforts to deprive such organizations of their charters and licenses. An organization which has been chartered and licensed to sell alcoholic beverages should be deprived of both its charter and license if its affairs are being conducted in disregard of the provisions of the General Laws regulating corporate purposes or in violation of any of the provisions of the Liquor Control Act. Accordingly we recommend that provision be made for the revocation of the charter of any Club which at any time ceases to pursue its authorized corporate purposes, and we renew our recommendation that legislation be enacted which will provide that the charter of any Club which the Licensing Authorities find has violated any provision of the Liquor Control Act shall be revoked. We also renew our recommendation for the adoption of an Amendment specifically authorizing the rejection of an application for a Club license to sell alcoholic beverages if it appears that any of the members of the governing body controlling and directing the Club activities are not reputable citizens of the Commonwealth.

"PACKAGE GOODS" STORES

Generally speaking conditions surrounding the sale of alcoholic beverages in "Package Goods" Stores were satisfactory. This is no doubt largely responsible for the very strong degree of public support afforded to the present system of dispensing alcoholic beverages in packages under license in this Commonwealth. It should be evident to such licensees that their stores shall be operated in a manner which will in all respects meet with public approval if they are to retain this support. Obviously such support is vital to the continued enjoyment of the privileges which they enjoy under their licenses.

The provisions of the Liquor Control Act governing sale of alcoholic beverages under licenses in Drug stores do not vary greatly from those authorizing such sales in "Package Goods" Stores. Such licenses are not subject to the prior approval of the Commission before issuance. However, licensed Druggists are subject to our supervision. Because of these facts it is important that the conditions surrounding the sale of alcoholic beverages in Drug stores be given consideration in connection with any discussion of "Package Goods" Store licenses.

As we have stated in other years a large number of licensed Druggists continued to violate the laws regulating the hours of sale during which alcoholic beverages may be sold in Drug stores upon certification without a physician's prescription. Last year we promised continuance of vigorous activities to curb such illegal sales. As a result of these activities we have caused many complaints against Druggists to be filed with Local Licensing Authorities and with the Board of Registration in Pharmacy. This form of procedure has not resulted in bringing about any noticeable decrease in the number of violations. In a further effort to curb these illegal practices we will during the next fiscal year institute proceedings against Druggists in the Courts for all such violation of the Act, in addition to referring complaints as heretofore to Local Authorities and the Board of Registration in Pharmacy.

GENERAL REMARKS

In the beginning of this report we referred to Amendments adopted during the 1939 session of the Legislature. It is interesting to reflect on the nature of these Amendments because they indicate the disposition of the members of the Legislature toward petitions for legislation amending various provisions of the Liquor Control Act. Since one of the Amendments had to do with the provisions of the Act pertaining to the number of licenses in the City of Boston only, it is not necessary to consider it here as its effects were purely local and of no general significance.

An analysis of the other two Amendments, however, will show that their enactment was the result of legislative response to proposals submitted as the result of unprejudiced public discussion. The present Liquor Control Act as originally enacted in 1933 contained no provisions which protected abutters or churches, schools and hospitals from the possibility of licenses for the sale of alcoholic beverages being granted without due notice to them. The enactment of the Amendment which provides that no application for a license can be legally acted upon by the Licensing Authorities until after notice of the application has been forwarded to the abutters of the proposed licensed premises and to churches, hospitals and certain schools indicated a determination on the part of the Legislature to erect proper safeguards for the protection of the public interest in the administration of the Liquor Control Act, whenever it appears to them that such safeguards are lacking.

The second Amendment definitely providing for the non-receipt except in certain instances of more than one application for the same premises for the same license year is again indicative of a disposition to accede to the reasonable requests of those motivated solely by a desire to protect the public interests. Prior to the incorporation of such a provision in the Act objectors to the granting of licenses were very frequently put to the necessity and inconvenience of appearing at several hearings before Licensing Authorities for the purpose of voicing their objections.

Petitions for Amendments to the Liquor Control Act in very large numbers have heretofore been filed with the Legislature annually. Some petitions have been filed by individuals who were interested, and some who were not, in the liquor industry. Other petitions have been filed by civic and other groups including groups composed of licensees. It is significant that the legislation which has been successful of passage was proposed in most instances by petitioners whose only interest was the successful administration of a Liquor Control Act acceptable to the large majority opinion of the people of the Commonwealth.

The Local Licensing Authorities and the Commission have performed their respective duties and have joined together in a cooperative spirit in the performance of functions requiring joint action in a manner which justifies the forethought of those who conceived and suggested the unique dual system of alcoholic beverages control which we have in this Commonwealth. It is generally recognized throughout the country as being probably the best system yet devised or in operation.

The Legislature as a whole, particularly the joint legislative committees on Legal Affairs and Ways and Means, have been most considerate and attentive to the expressions of the Commission concerning the administration of its duties. We desire to express our appreciation for this cooperation which has been most helpful.

Respectfully submitted,

ALCOHOLIC BEVERAGES CONTROL COMMISSION

ARTHUR G. BURNETT, *Chairman*

JOHN P. BUCKLEY, *Commissioner*

DUDLEY B. WALLACE, *Commissioner*

